



STATE OF NEVADA

Department of Conservation & Natural Resources

DIVISION OF ENVIRONMENTAL PROTECTION

Kenny C. Guinn, Governor

Allen Biaggi, Director

Leo M. Drozdoff, P.E., Administrator

Notice of Proposed Action

August 11, 2006

The Administrator of the Division of Environmental Protection gives notice that an application for a **major modification** of a Water Pollution Control Permit for the **Ruby Hill Mine Project**, a mining and beneficiation facility, has been properly filed with the Division of Environmental Protection in Carson City. The applicant for the modification to Water Pollution Control Permit NEV0096103 is:

Homestake Mining Company of California
P.O. Box 676
Eureka, Nevada 89316

The facility is located on public and private land in Eureka County, within Sections 3, 4, 5, 9, 10, 11, 14, 15, and 16, Township 19 North, Range 53 East, and Sections 32, 33, and 34, T 20 N, R 53 E, Mount Diablo Baseline and Meridian, approximately 1 mile northwest of the town of Eureka.

The project consists of an open pit mining and agglomerated heap leach beneficiation facility, designed to extract gold and associated metals, with a maximum permitted production rate of 1,500,000 tons of ore per year. The facility is comprised of the West Archimedes Pit, a grinding and agglomeration mill, a heap leach pad, an Adsorption-Desorption-Recovery (ADR) Plant, a solution tank and a solution pond, a storm event pond, a precious metals refinery, associated conveyors and pipelines, the East and West waste rock dumps, and groundwater monitoring wells. The **major modification** will increase the maximum permitted production rate to 4,500,000 tons of ore per year through an eastward extension and deepening of the West Archimedes Pit to create the East Archimedes Pit, an approximately 65 acre footprint expansion (126 acres total) and maximum height increase to 200 feet for the existing heap leach pad, and the addition of a second storm event/process solution pond. Facilities are required to be designed, constructed, operated and closed without any discharge or release in excess of those standards established in regulation except for meteorological events which exceed the design storm event. It is estimated the major modification will create new disturbance on an additional 190 acres of public land and 544 acres of private land. The facility, when modified, will disturb approximately 1489 acres of land in total.

The Administrator is constrained to either issue the modified Water Pollution Control Permit or to deny the application. The Administrator has made the tentative decision to issue the modified permit.

Persons wishing to comment upon the proposed Water Pollution Control Permit, to recommend terms and conditions for consideration of incorporation into the permit, or who request a public hearing pursuant to Nevada Administrative Code, NAC Chapter 445A, must submit their written

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comments, objections, or requests no later than 5:00 PM on the 30th day following the date of publication of this notice to:

Division of Environmental Protection
Bureau of Mining Regulation and Reclamation
901 South Stewart Street, Suite 4001
Carson City, Nevada 89701-5249

All comments or objections received during the public notice period will be considered in the final determination regarding this Water Pollution Control Permit. If the Division determines written comments or requests indicate a significant degree of public interest in this matter, the Administrator shall schedule a public hearing in accordance with the requirements of NAC 445A.405.

The draft Water Pollution Control Permit and all application documents are on file at the Division and are available for public inspection and copying pursuant to NRS 445A.665. For more information, contact Miles Shaw on (775) 687-9409 or visit our website at <http://ndep.nv.gov.bmrr/bmrr01.html>

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